

PUBLIC CHAPTER NO. 5

SENATE BILL NO. 1211

By Southerland

Substituted for: House Bill No. 1573

**By Curtiss, Shepard, West, Rinks, Eldridge, Pinion, Gresham, DuBois,
Brown**

AN ACT to amend Tennessee Code Annotated, Title 45, Chapter 2, relative to banks and bank branches.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 45-2-1402, is amended by adding the following as appropriately numbered subdivisions:

() "Affiliate" means any company that controls, is controlled by, or is under common control with another company;

() "Branch" means a branch as defined in § 45-1-103(4);

() "Commercial activities" means any activities in which a bank holding company, financial holding company, a national bank, or a national bank subsidiary, may not engage under federal law;

SECTION 2. Tennessee Code Annotated, Section 45-2-1402, is further amended by deleting subdivision (3) and by substituting instead the following:

(3) "Bank" has the meaning stated in § 3(1)(1) of the Federal Deposit Insurance Act (12 U.S.C. § 1813(a)(1));

SECTION 3. Tennessee Code Annotated, Section 45-2-1412, is amended by adding the following as a new subsection (c) thereto:

No bank or out-of-state bank may establish or maintain a branch in this state on the premises or property of an affiliate if the affiliate engages in commercial activities.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: March 19, 2007



RON RAMSEY, SPEAKER
SENATE OF THE SENATE



JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 28th day of March 2007



PHIL BREDESEN, GOVERNOR